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SUBJECT: RUSSIA-VIETNAM: A STRATEGIC PARTNERSHIP WITH NO  
SERIOUS PROBLEMS

Classified By: Political Minister Counselor Alice Wells for Reasons 1.4  
(b) and (d)

11. (C) Summary. Vietnamese Deputy Prime Minister Pham Gia Khiem's September 13-16 visit to Moscow resulted in a public Vietnamese endorsement of Russia's role in strengthening peace and cooperation in the Caucasus, but no recognition of South Ossetia and Abkhazia. The visit also included an agreement on visa free travel for Russian citizens to Vietnam, a five-day cultural program of Vietnamese art, and discussions on energy cooperation and the strengthening of bilateral economic ties. The Russian MFA describes the Russo-Vietnamese relationship as free of serious problems and will pay particular attention to its "strategic partnership" while Hanoi holds a non-permanent seat in the UN Security Council. Vietnamese President Nguyen Minh Triet will visit Russia at the end of October. End Summary.

A Smooth Visit Underscoring a Smooth Relationship  
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12. (SBU) Vietnamese Deputy Prime Minister and Foreign Minister Pham Gia Khiem visited Moscow September 13-16 to prepare for the October 27-28 visit of President Nguyen Minh Triet to Russia. While in Moscow, Pham met with Russian Foreign Minister Lavrov and First Deputy Chairman of the Communist Party of Russia Ivan Melnikov. The two governments agreed on visa-free travel for Russians visiting Vietnam for less than 15 days, and unveiled "Days of Vietnamese Culture and Sports," a five-day program showcasing Vietnamese art forms and performers. The Russian and Vietnamese foreign ministries updated their "Plan of Cooperation" for 2009-2012 on foreign policy consultations in both bilateral channels and in regional and international organizations such as APEC, ASEAN, and the UN.

13. (SBU) According to our Russian Foreign Ministry contacts, the Russo-Vietnamese strategic partnership, cemented during Vladimir Putin's 2001 visit to Hanoi, is going strong. "No serious problems" exist between the two countries. While there is no fixed schedule of reciprocal visits as is the case with China, the leaders of the two countries have met regularly in the last few years, including at the presidential level in 2001, 2004, and 2006, and at the prime minister level in 2005 and 2007. The foreign ministers of the two countries have also met regularly, especially on the margins of regional and international organizations.

Moscow Claims Victory on Vietnamese Stance on Georgia  
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14. (C) As expected, Pham during his visit provided Vietnamese support for "Russia's active role in strengthening peace and cooperation in the Caucasus," a formula almost identical to the August 28 Shanghai Cooperation Organization (SCO) statement on Georgia. The MFA tells us the GOR is satisfied with Vietnam's stance, and will not press hard on recognition of South Ossetia and Abkhazia, as it understands

that each country has its own interests to consider. Moscow has also been pleased with the level of Vietnamese support on the Georgia issue in the UN Security Council (UNSC).

#### UNSC and Regional Coordination a Key Focus

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15. (C) Moscow is particularly focusing on the UN Security Council as an area of policy coordination, as Vietnam currently holds a non-permanent seat. According to MFA's Department of Asia-Pacific Region, Russia has enjoyed an "all encompassing" level of cooperation with Vietnam on the Council, where the two countries have close or identical positions on almost all issues. In July of this year, Vietnam joined Russia in voting no on the U.S.-UK co-sponsored Zimbabwe resolution. On Burma, an issue over which Russia (along with China) cast another veto in 2007, Vietnam has shared the Russian view that "all questions should be resolved without outside interference." Similarly, the MFA describes cooperation with Vietnam within APEC and ASEAN as "very close." Pham during the visit reiterated Vietnam's support for Russian participation in the annual East Asia Summit.

#### A Small Trade Relationship Dominated by Energy and Tourism

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16. (C) DPM Pham's visit included discussion of trade and investment cooperation, particularly in the fields of energy and mineral resources extraction. The MFA indicated that, in meetings with the state gas monopoly Gazprom and government-controlled overseas oil company Zarubezhneft, Pham

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made progress in negotiating proposed joint ventures in field developments in Russia, and that the deals may be ready for signature soon. Zarubezhneft already has a joint venture with Vietnam, Vietsovpetro, that has yielded over 170 million tons of oil from Vietnam's south offshore since the company's establishment in 1981.

17. (SBU) However, the MFA acknowledges that the trade volume between Russia and Vietnam, at \$1.1 billion in 2007, is quite small compared to the \$40 billion between Russia and China or the \$9.7 billion between the U.S. and Vietnam. Increasing trade and investment ties will most certainly be a topic of discussion during President Nguyen's visit later in the month. One area of expanding economic ties is tourism. In the first eight months of this year, about 70,000 Russian tourists visited Vietnam, a 15% year-on-year increase. The newly agreed visa-free travel for Russian citizens will likely help boost that number to 100,000 next year, once the regime comes into effect in January of 2009.

Comment

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18. (C) While Vietnam sits on the UN Security Council, where it can be counted as an ally, Moscow is likely to pay particular attention to its strategic partnership with Hanoi. Vietnam's helpful role in supporting Russia's so far modest interests in Southeast Asia, especially within ASEAN, also provides a solid foundation for the partnership. However, Vietnam does not rank among Russia's top-priority relationships in Asia due to its relatively small size (both geographically and politically speaking), lack of common borders with Russia, and low trade volume. China, Japan, and the Koreas serve more strategic importance for Russia. With regard to China, in particular, the Russian MFA believes Vietnam wants to leverage the Russo-Vietnamese relationship against its northern neighbor, with whom Hanoi maintains a certain degree of rivalry, and Moscow is careful not to be played in such a manner. Russia has a complicated relationship with China that includes both wide-ranging political and economic cooperation and deep seeded mistrust, a relationship that both sides understand must be managed as

a top priority to ensure stability in Asia. Russia's relationship with Vietnam, on the other hand, is a relatively uncomplicated one that is rotated onto the front burner once in a while as the circumstances warrant, a relationship about which the best MFA can think of saying is that it is free of serious problems. End Comment.  
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